

****DRAFT****

October 16, 2014

Burlington Employees' Retirement Board

Burlington Electric Department

Board Members Present: Jim Strouse (phone) Munir Kasti
 Matt Dow Jeff Wick
 Bob Rusten Daniel Gilligan
 Bob Hooper

Others Present: Stephanie Hanker
 Kim Sturtevant

The meeting convened the meeting at 9:00am

1. **Agenda:**

Jim Strouse stated he would like the wording changed for item 6 to further discussion of methods and assumptions. Bob Hooper motion to approve agenda with title change of item 6. Jeff Wick 2nd. Motion carries 7:0

2. **Approve Minutes of 09/18/2014 & 10/02/2014:**

Bob Hooper moved to approve the minutes as presented. Jeff Wick 2nd. Motion carries 7:0

3. **Approval of Bills:**

Bob Hooper moved to approve the bills presented. Jeff Wick 2nd. Motion carries 7:0

4. **Consideration of Retirement Applications:**

Munir Kasti moved to approve the presented applications for retirement. Matt Dow 2nd. Motion carries 7:0

5. **Ratify Refund/Rollovers:**

None to present

6. **Further Discussion of Alternative Methods and Assumptions:**

Bob Rusten presented the Board with multiple spreadsheet copies and electronic versions of the sheets were projected. The Board used the spreadsheet to look at impacts of changing amortization methods, using open vs. closed group methods, using a new mortality rate, using PUC vs. EAN. Bob Rusten stated he thought the board needs to come up with some steps and

understand the implications of some of the proposed changes. Jeff Wick stated he would like to table the discussion about the rate of return until the board has looked at the proposed changes and evaluation their impact. Jeff Wick stated he could not make a discussion without more information for tiered amortization. Bob Rusten stated the board has reach an agreement on no change in the rate of return, using the entry age normal method (EAN), adopting the new mortality table and reaching out to David Driscoll to further explain the implications of going to an open group method. Jeff Wick stated he would like David Driscoll to attend one more meeting then have an official vote of the board. Jim Strouse moved to contact Brian Lowe from the Retirement Committee to let him know the agreed upon changes and that the board will continue with the 8% rate of return and that the board will be following up with the actuary to obtain more information on open group methods. Bob Hooper 2nd. Motion carries 7:0

7. **Other Business:**

Jim Strouse stated he has been in contact with Barry Bryant concerning the recent downturn and how that effected VPIC investments.

Bob Hooper stated he thinks that if the Board decides to withdraw from VPIC a staffing study is done to ensure the City has the staff to process the necessary workload. Bob Rusten stated in South Burlington that works is contracted out. Jim Strouse stated the City has done this before and it should be even easier if the board is going to use all indexing funds.

Matt Dow moved to adjourn. Bob Rusten 2nd. Motion Carries 6:0.